GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA

UNSTARRED QUESTION NO:5669
ANSWERED ON:03.05.2005
PRODUCTION OF TOBACCO
Gowda Shri D.V. Sadananda;Reddy Shri Magunta Sreenivasulu;Sethi Shri Arjun Charan

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether production of tobacco has declined substantially during the last two years;

(b) if so, the details thereof and the reasons therefor;

(c) action taken/proposed to be taken to increase the production in coming years;

(d) whether default cess to the tune of Rs. 70 crore collected from tobacco growers is lying unutilised;

(e) if so, whether there is proposal to utilise this money as price stabilisation fund for purchase of tobacco;

(f) if so, the details thereof;

(g) whether any proposal from Karnataka Government is pending to accord approval for the sale of entire tobacco produced in Karnataka; and

(h) if so, the details thereof and action taken thereto?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY(SHRI E.V.K.S. ELANGOVAN)

(a): No, Sir. There is a steady increase in the overall production of FCV tobacco in the country. However, production of FCV tobacco in black soils is declining while it is increasing in the light soil.

(b) & (c): Do not arise.

(d): No, Sir. The cess collected under the Tobacco Cess Act, 1975 is credited to the Consolidated Fund of India.

(e) & (f): The Government instituted a Price Stabilization Fund for tobacco, apart from other plantation crops. However, the tobacco growers have expressed their unwillingness to join the Scheme.

(g): No, Sir.

(h): Does not arise.